STATE BOARD OF ACCOUNTS 302 West Washington Street Room E418 INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT

OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 32 CORYDON, INDIANA

January 1, 2004 to December 31, 2004

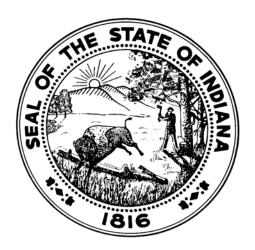


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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman, Bureau of Motor Vehicles Commission	Gerald Coleman Mary DePrez Joel Silverman	01-06-02 to 02-29-04 03-01-04 to 01-09-05 01-10-05 to 01-11-09
Branch Manager	Josephine G. Lenhart (Interim) Lynette Klinstiver Vacant	01-01-04 to 06-14-04 06-15-04 to 10-14-05 10-15-05 to 11-02-05



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Number 32 (Branch) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branch for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

November 2, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 32 CORYDON, INDIANA SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS January 1, 2004 to December 31, 2004

	 Amount
Collections: Registrations Titles Drivers licenses Watercraft Miscellaneous	\$ 3,943,384 1,550,437 151,768 94,461 1,442
Total	\$ 5,741,492
Distributions: State fees County tax Commission fees	\$ 2,786,909 2,445,304 509,279
Total	\$ 5,741,492

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 32 CORYDON, INDIANA NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 32 CORYDON, INDIANA STATISTICAL INFORMATION

January 1, 2004 to December 31, 2004

Transactions Processed	Quantity
Vehicle registrations: Passenger Motorcycle RV (housecar) Light truck Other truck Farm truck Tractor Trailer Semitrailer School and church bus Other bus Other	22,026 804 658 12,591 376 636 65 4,854 381 87 9
Total vehicle registrations	42,512
Drivers licenses and permits: Drivers licenses/learners permits CDL licenses/CDL permits Placards Other Total drivers licenses and permits	6,664 637 968 3,230
rotal drivers licenses and permits	11,499
Titles: Vehicles Watercraft Total titles	13,977 202 14,179
Total watercraft registrations	905

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 32 CORYDON, INDIANA EXAMINATION RESULTS AND COMMENTS

ACCOUNTABLE ITEMS

The following schedule details missing items revealed during a comparison of actual inventory of accountable items to the Open Inventory Report of the State Bureau of Motor Vehicles at December 31, 2004. No evidence was found to indicate these items have been sold.

Plate Type	Plate Number	
Passenger	31A7931	
Passenger	31C1791	
Passenger	31C4039	
Truck 30	4736F	
Truck 7	223649A	
	Passenger Passenger Passenger Truck 30	

A listing of the items that are to be accounted for to the State Board of Accounts is included in the Branch Operations Policies and Procedures Manual. (Branch Operations Policies and Procedures Manual, Supplies and Equipment Chapter)

YEAR END INVENTORY

The Branch personnel took an inventory at the end of 2004. In January 2005 we tested the accuracy of this inventory. When comparing the year end inventory to the Open Inventory Report, we noted that several items had not been included in the year end inventory.

Prior to year end, detailed inventory instructions were developed and distributed to each branch by BMV Audit Services. They included a listing of accountable items along with sample forms and examples. (Letter dated December 1, 2004, from the Audit Services Director)

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 32 CORYDON, INDIANA EXIT CONFERENCE

The contents of this report were discussed on November 2, 2005, with Kathi Richardson, Assistant Manager. The official concurred with our findings.